

BAL HARBOUR VILLAGE POLICE OFFICERS' PENSION PLAN AND TRUST

2nd Floor Conference Room
655 – 96th Street, Bal Harbour, Fl 33154
REGULAR QUARTERLY MEETING – JULY 27TH, 2015

1. Call to Order – Chairman Paul Eppler called the meeting of the Bal Harbour Village Police Officers' Pension Plan to order at 3:07 P.M.

Roll Call

Present

Chairman Paul Eppler

Secretary Dr. Abraham Gotman

Hector Gonzalez

David Levin (participated via speaker phone)

Absent

Daniel Gold

OTHERS PRESENT: Gregg Gosch from Sawgrass Asset Management, John McCann from Thistle Asset Consulting, Stephen H. Cypen, Esq., Attorney for the Fund and Joan L. Wall, Clerk to the Board of Trustees.

2. Additions/Deletions to Agenda – Report on the 2015 Legislative Changes dated July 24th, 2015 will be discussed under the Attorney's Report.

3. Approval of Minutes for April 27th, 2015. Chairman Eppler presented the minutes from the previous meeting for approval. David Levin moved to approve. Hector Gonzalez seconded the motion. The motion carried unanimously.

4. Approval of Warrant #089. Chairman Eppler presented Warrant #089 totaling \$44,595.85 for approval and payment. Dr. Gotman moved to approve payment. Hector Gonzalez seconded the motion. The motion carried unanimously, authoring payment of the following:

Cypen & Cypen, May, June & July, 2015 Retainers @ \$2,000	\$ 6,000.00
Joan L. Wall, 4/20 – 7/16/15, 41 ¼ hrs @\$44.99 plus expenses \$99.25	\$ 2,000.08
Sawgrass Asset Management; Investment Fee for Qtr Ending 6/30/15	\$24,736.00
Salem Trust Company, 4/1/15 – 6/30/15 Invoice	\$ 2,719.77
Thistle Asset Consulting, Inc., Performance Report for Qtr Ending 6/30/15	\$ 4,218.00
Foster & Foster, Inv #7419, dated 6/26/15	\$ 4,012.00

Holland & Knight, Invoice #3179299, dated 4/24/15	\$ 325.00	
Holland & Knight, Invoice #3192736, dated 5/29/15	\$ 97.50	
Holland & Knight, Invoice #3205433, dated 6/30/15	\$ 487.50	
<u>TOTAL</u>		\$ 910.00
<u>TOTAL For Warrant #089</u>		\$44,595.85

5. UNFINISHED BUSINESS – None.

NEW BUSINESS

6. a) Gregg Gosch, Sawgrass Asset Management – Investment Report. The equity market continued its rudderless action in the second quarter. The intra-quarter range for the large cap indices was one of the smallest in recent memory. Choppy trading masked a more favorable environment for riskier securities given the strength in higher beta, less stable/defensive securities along with relative weakness from traditionally low volatility sectors such as utilities and consumer staples. Small cap and growth outpaced large cap and value as the best sector performers were healthcare, financials and consumer discretionary. The continued struggle for the market to go higher could be a harbinger of a tired market looking to eventually give back some of those gains at some point over the balance of the year. The Fed remains on hold with the first rate hike seemingly continually being pushed further into the future.

6. b) John McCann, Thistle Asset Consulting – Performance Report for quarter ending June 30th, 2015. The compliance report reflected all “yes” responses. Asset allocation was fixed income 36%, equities 59% and cash 5% for a market value of \$18,333,000. The total fund returned, net of fees, -1.01% for the quarter, 5.31% for one year, 10.91% for three years and 11.67% for five years as compared with the policy returns of -0.08%, 5.20%, 10.87% and 11.51% for the same time periods. The fund outperformed for all time periods except for the current quarter.

6. c) Review/Accept – Net DROP Return of -1.01% for the quarter ending 6/30/15. Based on the report from the performance monitor, Hector Gonzalez moved to approve. David Levin seconded the motion. The motion carried unanimously.

6. d) Schools/Conferences

- **FPPTA** – Fall Trustees’ School, October 4 – 7, 2015, Waldorf Astoria, Naples, FL
- **Division of Retirement** – November 17 – 19, 2015, Radisson Resort, Orlando Celebration, 2900 Parkway Blvd., Kissimmee, FL

6. e) Senate Bill 172 (Chapter 2015-29, Laws of Florida)/ Memorandum from Attorney Cypen/Review and Approve Budget for FYE 9/30/16. After reviewing the new requirement regarding budgets, Hector Gonzalez moved to approve the budget for 10/1/15 – 9/30/16. David Levin seconded the motion. The motion

carried unanimously. The budget will be provided to the Village with a request to post it on their website so that all participants of the plan can view it.

6. f) Responses from Custodian Banks. The trustees reviewed the information provided by Comerica, Fiduciary Trust, First State Bank, Key Bank and Wells Fargo. After a lengthy discussion, Hector Gonzalez moved to invite Key Bank, Fiduciary Trust and Comerica to the October meeting to give presentations. David Levin seconded the motion. The motion carried unanimously.

7. Input from Active/Retired Members – None.

8. Trustees' Concerns – Terms of Office as Trustees expire on September 30th, 2015 for Paul Eppler, Hector Gonzalez and Daniel Gold (5th Trustee). Chairman Eppler requested the Village Clerk be asked to run an election for his position and that of Hector Gonzalez. The board would make an appointment for 5th Trustee at the next meeting.

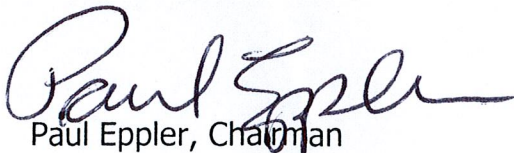
9. Public Comments – None.

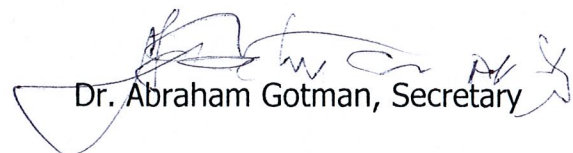
10. REPORTS

- **Attorney –** The following were reviewed by Attorney Cypen
 - May 4th, 2015 Memorandum Re: Explanatory Memo regarding New Disclosure (Section 112.664, Florida Statutes).
 - May 27th, 2015 Memorandum Re: Senate Bill 172
 - July 24th, 2015 Division of Retirement Information Release
- **Board Clerk**
 - All Annual Affidavits received
 - 2014 Annual Report Filed/**Approved 6/5/15**
 - Required information received by Foster & Foster and forwarded to Village for posting on Village Website on 6/25/15
- **Other – None.**

11. Next Meeting Date/Adjournment. Chairman Eppler announced the next regular meeting would be held on Monday, October 26th, 2015 at 3 P.M. There being no further business before the board Hector Gonzalez moved to adjourn at 4:16 P.M. Dr. Gotman seconded the motion. The motion carried unanimously.

Respectfully submitted,


Paul Eppler, Chairman


Dr. Abraham Gotman, Secretary